

**OXFORD TIRE RECYCLING**  
*OTHERS PROMISE... OXFORD DELIVERS!*

March 5, 1997

Ralph Chandler  
Executive Director  
California Integrated Waste Management Board  
8800 Cal Center Drive  
Sacramento, Ca. 95826

Re: Oxford Tire Recycling Closure Plan

Dear Mr. Chandler,

Per the conditions of Waste Tire Facility Permit 50-TI-0010, Oxford Tire Recycling hereby submits its closure plan. Oxford's primary objective is to eliminate the tire pile as quickly as possible within an economically viable time frame.

After carefully reviewing the alternatives, Oxford is proposing a scrap tire monofill to be located within its leasehold in Westley, Ca. A monofill would provide significant long term benefits to the state. Should the Modesto Energy Limited Partnership (MELP) plant be closed in late 1997, the monofill would provide a sound disposal alternative for transient tires, both those generated by Oxford and by others. If the plant remains open, it provides a reliable disposal site for daily flow tires and minimizes the cost of cleaning up the tire pile. Should the tires have value in the future, they could be mined at minimum cost.

The closure plan estimates a total disposal cost of \$1,182,000 or about \$17.00 per ton. Oxford's annual fixed costs related to the tire pile total \$253,000, with closure insurance (\$140,000), pollution insurance (\$33,000), and remaining trust fund contributions (\$80,000). Based on current earnings estimates, Oxford can only afford to pay an additional \$200,000 annually to close the tire pile. Thus, Oxford will expend \$453,000 over the next twelve months to meet its permit obligations. Using this schedule, it will take Oxford six years to eliminate the pile.

Last year Oxford committed to a tire pile reduction schedule that would literally put it out of business and leave the state with a substantial tire cleanup bill (even with Oxford's closure insurance). This proposal recommends a sustainable plan that will eliminate the pile with minimal risk to the state and to Oxford. We believe that all other alternatives are more costly and result in higher risk to both parties. The only possible exception might be if MELP continues to burn tires after the late 1997 cliff date. However, due to the anticipated reduction in MELP's revenues from PG&E, MELP will be undoubtedly be required to raise tipping fees to cover operating costs. (It is estimated that over 90% of MELP's revenues are paid by PG&E). This would result in higher closure costs since MELP would have to charge a rate higher than \$16 per ton for tires from the pile to recover even a portion of its lost revenue.

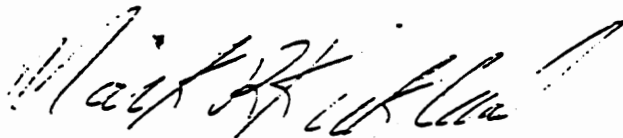
OXFORDCWBFRMT

1-52

Last year Oxford insured the closure plan with a \$500,000 bond through CMS, a \$500,000 closure insurance policy, and a \$300,000 trust fund (current balance \$212,000). Oxford would like to replace this combination of funds with a single insurance policy covering the entire closure cost. This alternative would be the least expensive solution to Oxford and if accepted by the state, would free up trust funds which could be applied to the tire pile cleanup.

Oxford looks forward to working with the staff and Board to find an acceptable, sustainable method of eliminating the Westley tire pile.

Sincerely,



Mark Kirkland  
President

Attachments:

Closure Plan

Closure letter from Geosyntec

Closure Insurance Verification



28 February 1997

Mr. Mark R. Kirkland  
President  
Oxford Tire Recycling of Northern California, Inc.  
P.O. Box 969  
4561 Ingram Creek Road  
Westley, California 95387-0969

Subject: Closure Plan  
Oxford Tire Recycling Facility  
Stanislaus County, California

Dear Mr. Kirkland:

GeoSyntec Consultants, Inc. (GeoSyntec) has prepared the enclosed closure plan for the Oxford Tire Recycling facility (Oxford) in Westley, Stanislaus County, California. The Oxford facility operates under a permit from the California Integrated Waste Management Board (CIWMB), dated 8 May 1996 [CIWMB, 1996]. A closure plan for a waste tire facility is required by Section 18441, Article 6, Chapter 6 of Title 14 of the California Code of Regulations (herein referred to as Title 14). GeoSyntec's services on this project were defined in a proposal to Oxford Tire Recycling of Northern California, Inc. (OTRNCI), dated 19 February 1997.

## BACKGROUND

Waste tires started being accumulated in a canyon on Mr. Edward Filbin's property, located in the western foothills of Stanislaus County near Interstate 5 in Westley, California, about 30 years ago. In 1985, Oxford Energy became a partner in the Modesto Energy Limited Partnership (MELP) to burn tires for electricity. MELP entered into an agreement with General Electric and Mr. Filbin to site a waste tire-to-energy facility at the Westley site. In June 1994, Oxford Tire Recycling, Inc. (OTRI), a subsidiary of Oxford Energy, applied to the CIWMB for a Major Waste Tire Facility (MWTF) permit. The MWTF permit was issued on 8 May 1996 and since that time OTRI has continued managing the waste tire stockpile and the waste tire collection business. The MWTF permit expires on 8 May 2001.

WL0067WC97130.cio

### Corporate Office:

621 N.W. 53rd Street • Suite 650  
Boca Raton, Florida 33487 • USA  
Tel. (407) 995-0900 • Fax (407) 995-0925

### Regional Offices:

Atlanta, GA • Boca Raton, FL  
Columbia, MD • Huntington Beach, CA  
Walnut Creek, CA • Brussels, Belgium



1-54

### Laboratories

Atlanta, GA  
Boca Raton, FL  
Huntington Beach, CA

Mr. Mark R. Kirkland  
28 February 1997  
Page 2

## REGULATORY CLOSURE REQUIREMENTS

Waste tire facilities in California are regulated by the CIWMB. In particular, Section 18442(a) of Title 14 requires that *"The operator of a major waste tire facility shall submit an updated Closure Plan (Part B), Form CIWMB 504 (10/92) as specified in Section 18442 of this Article...."* Section 18442 of Title 14 requires that *"The operator of a major waste tire facility shall submit as part of the application package a completed "Closure Plan", Form CIWMB 504 (10/92)."*

Article 9 of Chapter 14 ("Financial Assurance Requirements for Closure of a MWTF") requires operators of MWTFs *"... to demonstrate adequate financial ability to conduct closure activities."*

Condition 7 of the MWTF permit [CIWMB, 1996] requires that *"The permittee shall submit an updated Closure Plan... as specified in section 18442 of the California Code of Regulations, at least 120 days prior to the anticipated closure of the site."* Further, Condition 15 of the permit requires that *"The permittee shall submit a complete plan to the Board no later than 180 days prior to September 1, 1997, describing how the total size of the stockpile shall be reduced... As part of the plan, the permittee shall adjust the financial assurance demonstration to account for the portion of the waste tire stockpile that will remain on September 1, 1997. The adjusted cost shall be adequate to close the facility utilizing a method acceptable to the Board..."*

In response to these requirements, OTRNCI requested that GeoSyntec prepare a Closure Plan for the Oxford facility.

## CLOSURE PLAN

GeoSyntec understands that OTRNCI desires that the Closure Plan, for closure of the waste tire piles at its Oxford facility in Westley, California, assume a shredded tire monofill as a closure option. Therefore, this Closure Plan assumes that the in-place tires will be shredded on site and the monolithic soil final cover system will be constructed over them. Since waste tires are considered inert material [CRWQCB, 1988; GeoSyntec,

WL0067\WC97130.clo



Mr. Mark R. Kirkland  
 28 February 1997  
 Page 3

1997a], no containment system is required for the shredded tire stockpile. The stockpile will be located in the vicinity of the existing tire piles.

In order to estimate the Oxford facility closure cost, a number of assumptions were made by GeoSyntec including the following:

- the on-site waste tires, currently stored in several piles [Pasomas, 1995], will be shredded and moved to one nearby location within the Westley property;
- number of waste tires, expressed as passenger tire equivalent (PTE), currently on-site - 7,200,000 [TAG, 1995; OTRNCL 1997];
- state developed estimated tonnage currently on-site - 72,000 tons [TAG, 1995; OTRNCL 1997];
- weight of a passenger tire equivalent (PTE) - 20 lbs (9 kg) [OTRNCL 1997, GeoSyntec, 1997b];
- cost to shred a PTE - \$7/ton [OTRNCL 1997];
- cost to move shredded tires to the "closure" location - \$3/ton [OTRNCL 1997];
- separator geotextile, between shredded tires and final cover soil, unit cost - \$0.25/ft<sup>2</sup>;
- compacted soil unit cost - \$5/yc<sup>3</sup>;
- soil available on-site;
- compacted PTE unit weight - 40 lbs/ft<sup>3</sup> (640 kg/m<sup>3</sup>) [GeoSyntec, 1997b]; and
- assumes a 36-in. (900-mm) thick monolithic compacted soil cover.

It is anticipated that the tire shreds are placed in a pyramid shape stockpile within the PD-91 area [Pasomas, 1995]. Once shredded, the estimated 7,200,000 PTEs will create a volume of approximately 133,500 yd<sup>3</sup> (102,127 m<sup>3</sup>). Final cover soil will be separated from the stockpiled shredded waste tires by a separator geotextile. The resulting stockpile is assumed to have a base of approximately 440 ft x 440 ft (134 m x 134 m), a height of approximately 40 ft (12 m), and 3H:1V side-slopes (Figure A-1, Appendix A). Engineering calculations are included in Appendix A.

GeoSyntec is currently evaluating the need for soil separator layer within the stockpile; however, at this time the need for it at the Oxford facility has not been concluded.

WL0067\WC97130.cio

1-56



Mr. Mark R. Kirkland  
28 February 1997  
Page 4

Assuming the scenario presented above for closure of the Oxford facility, the closure cost of approximately \$1,182,000, was estimated. Appendix B includes details of the closure cost.

The Closure Plan, Form CIWMB 504 (10/92), is included in Appendix C.

### REFERENCES

California Integrated Waste Management Board, "Waste Tire Facility Permit, Facility Number: 50-TI-0010, 8 May 1996, 4 p.

California Regional Water Quality Control Board - Central Valley Region, "Waste Acceptable for Discharge to Class III Landfills", 3 November 1988, 3 p. w/appendices.

GeoSyntec Consultants, Inc., A telephone conversation between Ms. Kim A. Schwab of the California Regional Water Quality Control Board - Central Valley Region, and Mr. Krzysztof S. Jesionek of GeoSyntec on 26 February 1997a.

GeoSyntec Consultants, Inc., A telephone conversation between Prof. Dana Humphrey of the University of Maine and Mr. Krzysztof S. Jesionek of GeoSyntec on 27 February 1997b.

Oxford Tire Recycling of Northern California, Inc., Personal Communication with Mr. Mark R. Kirkland, President, and Mr. William Keller, Consultant, during the week of 24 February 1997.

Psomas & Associates, "Oxford Scrap Tire Site Volume Study, Westley, California", 26 October 1995, 7 p.

T.A.G. Resource Recovery, "Oxford Tire Recycling, Waste Tire Site, Current Estimate of Stored Waste Tire Quantity", 23 October 1995, 5 p.

WL0067\WC37130.sio

1-57

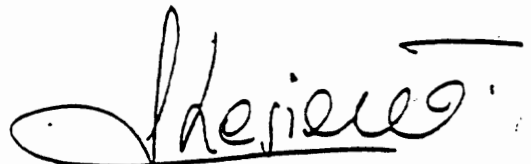
Mr. Mark R. Kirkland  
28 February 1997  
Page 5

### LIMITATIONS

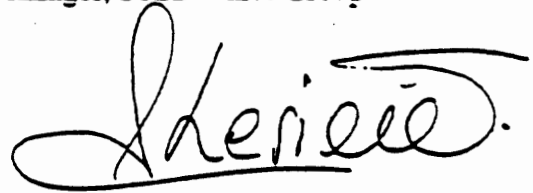
This report was prepared in general accordance with the accepted standard of engineering practice which existed in Northern California at the time the evaluation was performed. It should be recognized that the evaluation methodology employed may be subject to changes over time as more experience and data becomes available. Thus, assumptions made, analyses performed, and recommendations made are based on currently accepted methods at the time this evaluation was performed coupled with engineering judgment. No other representations, expressed or implied, and no warranty or guarantee is included or intended.

If you have any questions or require additional information, please feel free to contact us at 510-943-3034.

Respectfully,



Krzysztof S. Jesionek, P.E.  
Manager, Solid Waste Group



(for) R. Jeffrey Dunn, Ph.D., P.E., G.E.  
Principal

Copy to: William Keller - OTRNCI

WL0067WC97130.cio

1-58







## 1. Volume of Shredded Tires

- unit weight of a shredded tire ( $\gamma$ ) - 40 lb/ft<sup>3</sup> (at zero pressure)
- weight of a tire (PTE) ( $w$ ) - 20 lbs
- number of tires on-site - 7,200,000

- a volume of 1 shredded tire ( $V$ )

$$w = \gamma \cdot V \rightarrow V = \frac{w}{\gamma}$$

$$V = \frac{20 \text{ lbs}}{40 \text{ lbs/ft}^3} = 0.5 \text{ ft}^3 / \text{PTE} \checkmark$$

- a volume created by 7,200,000 PTEs

$$V_T = 0.5 \frac{\text{ft}^3}{\text{PTE}} \times 7,200,000 \text{ PTEs}$$

$$V_T = 3,600,000 \text{ ft}^3 \approx \underline{133,500 \text{ yd}^3} \checkmark$$

## 2. Shredded Tire Stockpile Dimensions

- assumed height - 40 ft

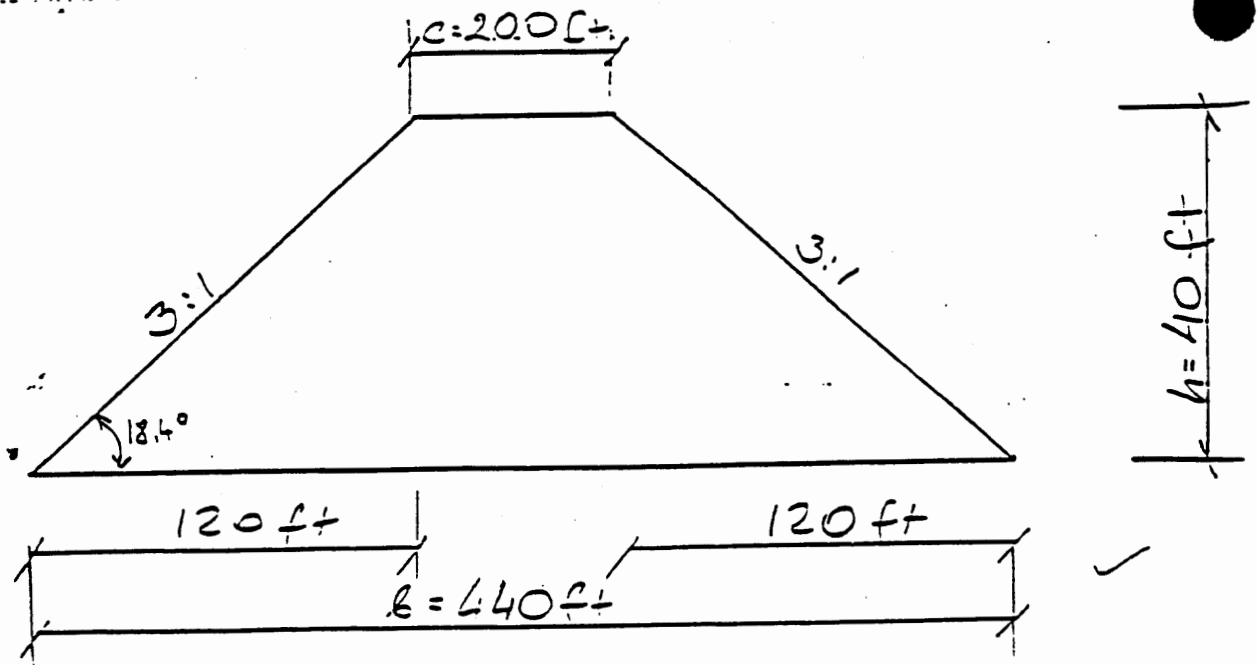
- side-slopes - 3H:1V

- volume - 133,500 yd<sup>3</sup>

- pyramid shape stockpile (Figure A-1)  
volume ( $V_p$ )



Written by: LSJ Date: 97/02/27 Reviewed by: AD Date: 97/03/03  
Client: OTRI Project: Ox-Gud Project/Proposal No.: WL0067 Task No.: 1



NOT TO SCALE

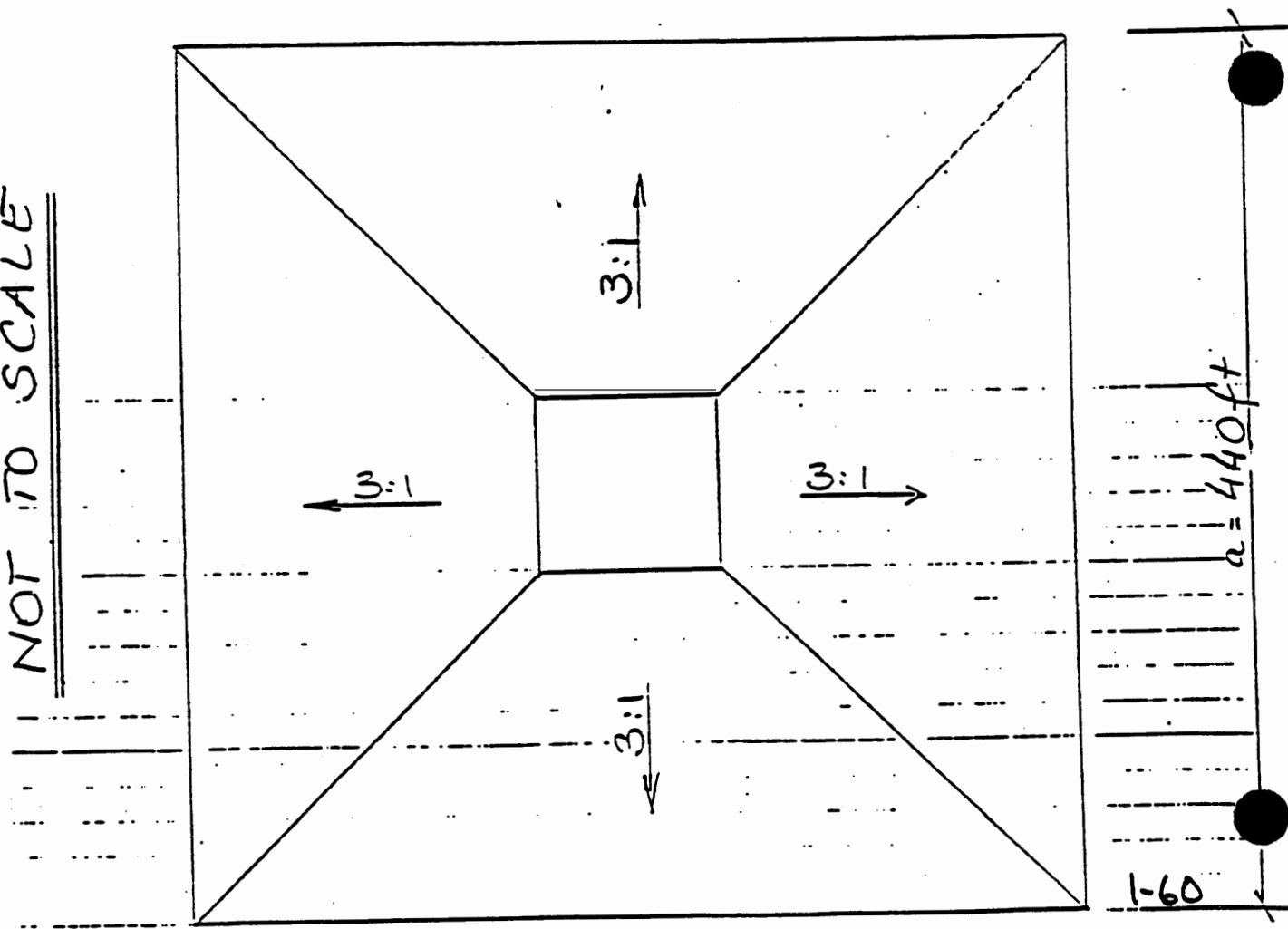



Figure A-1: Shredded Tire Stockpile 

Written by: KSJ Date: 02/02/27 Reviewed by: AD Date: 27/03/23  
 Client: OTI Project: Oxfab Project/Proposal No.: \_\_\_\_\_ Task No.: \_\_\_\_\_

$$V_p = \frac{h}{6} [(2a+c)b + (a+2c)d]$$

where.

$h$  - height  
 $a, b$  - base dimensions  
 $c, d$  - top dimensions

Assume dimensions of the stockpile of

$$a = b = 440 \text{ ft} \quad \checkmark$$

$$c = d = 200 \text{ ft} \quad \checkmark$$

$$h = 40 \text{ ft}, \text{ then } \checkmark$$

$$V_p = \frac{40}{6} [(2 \cdot 440 + 200) 440 + (440 + 2 \cdot 200) 200]$$

$$V_p = 6.67 [(880 + 200) 440 + (440 + 400) 200]$$

$$V_p = 6.67 [1080 \times 440 + 880 \times 200]$$

$$V_p = 6.67 (475,200 + 176,000)$$

$$V_p = 6.67 \times 651,200$$

$$V_p = 4,343,500 \text{ ft}^3 \quad \checkmark \quad \approx \underline{160,870 \text{ yd}^3} \quad \checkmark$$

Since  $V_p > V_T$  then OK



Written by: KSJ Date: 97/02/27 Reviewed by: AD Date: 97/03/03  
 YY MM DD YY MM DD

Client: ORI Project: OR-100 Project/Proposal No.: \_\_\_\_\_ Task No.: \_\_\_\_\_

### 3. Shredded Tire Stockpile Surface Area

The surface area of a pyramid ( $A_{ST}$ ) equals the area of the top deck ( $A_T$ ) + the areas of four sides ( $4 \times A_s$ )

$$\therefore A_{ST} = A_{Top} + 4 \times A_s$$

$$A_{Top} = a \times b = 200 \text{ ft} \times 200 \text{ ft}$$

$$A_{Top} = 40,000 \text{ ft}^2 = 4,445 \text{ yd}^2 \checkmark$$

Side-slope  
 $L_s = \sqrt{40^2 + 120^2}$

$$L_s = 126.5 \text{ ft} \checkmark$$

and

$$A_s = (440 + 200) \frac{126.5}{2}$$

$$A_s = 40,480 \text{ ft}^2 \checkmark$$

$$\text{or } A_s = 4,500 \text{ yd}^2 \checkmark$$

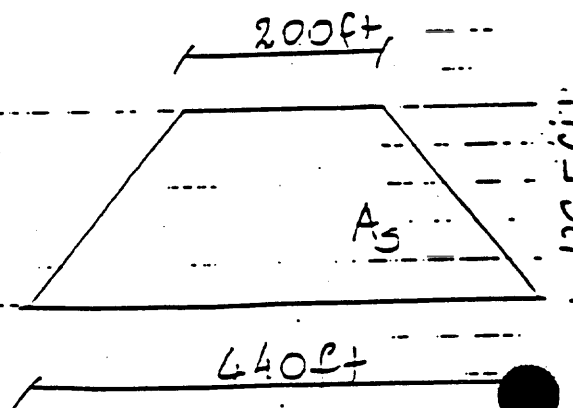
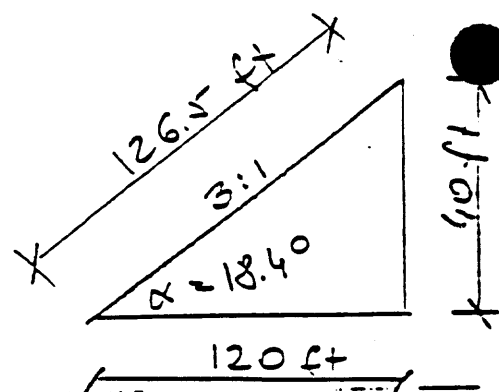
and

$$A_{ST} = 4,445 + 4 \times 4,500$$

$$A_{ST} = 22,450 \text{ yd}^2 \checkmark$$

or

$$\underline{4.65 \text{ acres}} \checkmark$$



1-62

#### 4. Soil Volume Required for the Cover

- assume a 3-ft thick compacted soil cover
- compaction @ 85%, MC  $\approx$  +3% Over Optm
- surface area (from 3) = 22,450 yd<sup>2</sup> ✓

$$V_{\text{soil}} = 22,450 \text{ yd}^2 \times 1 \text{ yd} = 22,450 \text{ yd}^3$$

including 5% for shrinkage

$$V_{\text{soil}} = 22,450 \text{ yd}^3 \times 1.05 \checkmark$$

$$V_{\text{soil}} \approx \underline{23,600 \text{ yd}^3} \checkmark$$

#### 5. Total Stockpile Volume

- shredded tire volume = 133,500 yd<sup>3</sup>
- final cover soil = 23,600 yd<sup>3</sup>

$$V_{\text{Tot}} = 133,500 + 23,600$$

$$V_{\text{Tot}} = \underline{157,100 \text{ yd}^3}$$

Since  $V_p$  (Section 3, page 2) = 160,870 yd<sup>3</sup>

then

$$V_p > V_{\text{Tot}}$$

(OK) ✓

1-63





**CLOSURE COST ESTIMATE  
OXFORD TIRE RECYCLING FACILITY  
Oxford Tire Recycling, Inc.  
Stanislaus County, California**

ITEM	UNIT	UNIT COST	NO.	COST
<b>General</b>				
Permitting	lump	\$40,000	1	\$40,000
CEQA Negative Declaration <sup>(1)</sup>	lump	\$15,000	1	\$15,000
Tire Shredding On-Site <sup>(2)</sup>	ton	\$7	72,000	\$504,000
Moving tires to "Closure" Location	ton	\$3	72,000	\$216,000
<b>Final Cover</b>				
Engineering Design	lump	\$35,000	1	\$35,000
Construction Quality Assurance Services	lump	\$15,000	1	\$15,000
Geotextile Separator	yd <sup>2</sup>	\$0.25	22,450	\$5,613
Soil Cover Placement	yd <sup>3</sup>	\$5	23,600	\$118,000
Hydroseeding	yd <sup>2</sup>	\$0.27	22,450	\$6,062
<b>Miscellaneous</b>				
Maintenance	year	\$1,000	30	\$30,000
<b>SUBTOTAL CLOSURE</b>				<b>\$984,674</b>
<b>Contingency</b>				
Contingency (20% of Estimated Subtotal Closure Cost)				<b>\$196,935</b>
<b>TOTAL CLOSURE COST</b>				<b>\$1,181,609</b>

50,513

**NOTES:**

- (1) - Assumes that Negative Declaration will be sufficient; if an EIR is required, the closure cost will increase  
 (2) - See the attached detailed cost breakdown  
 Other assumptions are listed on page 3 of this letter

# OXFORD TIRE RECYCLING OF NORTHERN CALIFORNIA TIRE SHREDDING COSTS USING A BARCLAY SHREDDER

## ASSUMPTIONS:

- 1 ASSUMES UNLOADING TIRES DIRECTLY ONTO INFEED BELT OF SHREDDER AND  
OUTFEED CONVEYOR INTO OPEN TOPPED DUMP TRUCK.
- 2 OUTPUT = 16 TONS PER HOUR  
160 TONS PER DAY  
40,320 TONS PER YEAR  
4,032,000 TIRES PER YEAR
- 3 LABOR REQUIRED: TWO LABORERS  
ONE EQUIPMENT OPERATOR  
ONE LEADMAN  
ONE DRIVER
- 4 CAPITAL REQUIRED: PORTABLE SHREDDER W/CONVEYORS \$260,000

## INDIRECT COSTS:

PORTABLE SHREDDER, FIVE YEAR LIFE, 10% INTEREST COST

PAYMENTS = \$5,524.00 PER MONTH  
\$253.05 PER DAY (21 DAYS)  
\$25.30 PER HOUR (10 HOUR DAYS)  
\$1.54 PER TON @ 16 TONS / HOUR

MAINTENANCE (PER MR. BARCLAY 3/3/97)

\$1,500.00 PER YEAR  
\$0.04 PER TON

BLADE CHANGES (PER BARCLAY 8/96)

\$6,500.00 PER 800,000 TIRES  
\$32,760.00 PER YEAR  
\$0.81 PER TON

POWER 28 KW PER HOUR

\$0.10 PER KWH \$7,056.00 PER YEAR  
\$0.18 PER TON

## DIRECT COSTS:

	QUANTITY	RATE PER HOUR	TOTAL PER HOUR	PER TON
LABOR				
LABORER	2	\$10.00	\$20.00	
DRIVER, LEADMAN, EQUIP OP.	3	\$15.00	\$45.00	
TOTAL PER HOUR			\$65.00	\$4.08

MAINTENANCE \$0.04

BLADES \$0.81

POWER 16 \$4.00 \$0.18

TOTAL DIRECT COSTS \$5.09

## INDIRECT COST:

\$1.54

TOTAL COST PER TON \$6.73

Post-it® Fax Note	7671	Date	Page 1
To	Kri -	From	Bisa
Co./Dept.	Info	Co.	
Phone #		Phone #	
Fax #		Fax #	



**Waste Tire Facilities  
CLOSURE PLAN**

General Information: (please print or type)

1. Facility Name: Oxford Tire Recycling
2. Facility Mailing Address and Location:  
Street 4561 Ingram Creek Road  
City Westley County Stanislaus Zip 95387 - 0969
3. Site Operator's Name: Oxford Tire Recycling of Northern California, Inc. (OTRNCT)  
Mailing Address: P.O. Box 969  
Westley, CA 95387  
Phone: (209) 894-3445
4. Property Owner Name: Edward Filbin, c/o Nomellini & Grilli  
Mailing Address: 235 East Weber Avenue, P.O. Box 1461  
Stockton, CA 95201  
Phone: (209) 894-3355

**PART A**

The operator shall attach to this form a written cost estimate in accordance with Part C, in current dollars, of the cost of hiring a third party to close the major waste tire facility. Parts B and C shall be based on the maximum quantity of waste tires that the operator intends to store during the five year permit period as specified in the Operation Plan, Form CIWMB 501 (10/92).

Appendix B in the attached GeoSvntec letter, dated 28 February 1997, includes a written cost estimate of the cost to close the Oxford Tire Recycling facility as a shredded tire monofill.

## CLOSURE PLAN

Page 2 of 5

### PART B

The operator shall provide the following information to the Board prior to the commencement of closure:

1. A closure schedule with a time period for completion OTRNCI anticipates to eliminate the existing tire waste stockpiles in six (6) years, i.e., by end of 2003.
2. Details of the final disposition of the waste tires and waste tire products, in accordance with section 18441(a). Include the name of each business that will receive the waste tires and the amounts. Provide also the address and phone number for each business. As described in the GeoSvntec letter, dated 28 February 1997, OTRNCI plans to close the tire pile as a shredded tire monofill.
3. A description of how the closure requirements of Section 18441 of this Chapter will be met (attach additional pages if necessary): As discussed in the GeoSvntec letter, dated 28 February 1997, OTRNCI plans to close the tire pile as a shredded tire monofill. OTRNCI anticipates to eliminate the existing tire waste stockpiles in six (6) years, i.e., by end of 2003. During that time the Oxford facility will accept new waste tires and will be opened until all tires are shredded. The closure requirements of Section 18441 of Title 14, including no public access to the Oxford facility (Section (a)(1)) with the exception of commercial haulers, notifying the CIWMB when the closure activities are completed (Section 18441(a)(5)), and posting a notice at the entrance indicating to the public that the site is closed and the location of a site where waste tires can be deposited (Section 18441(a)(2), will be met.

### PART C

#### CLOSURE COST ESTIMATE WORKSHEET

The estimate shall be completed by the operator/owner or duly recognized representative to include the following information:

- 1) The name, address, and telephone number of the authorized waste tire facility, where waste tires will be taken upon closure.
- 2) The cost estimate for a third party to cleanup of the site along with the detail of how this estimate was calculated, as described below. The estimate shall be developed for the activities anticipated for closure including disposition of waste tires and tire residues, equipment, labor and administration. Attach the cost estimate and all supporting documentation used in arriving at the closure cost estimate.

## CLOSURE PLAN

page 3 of 5

Calculate the Total Closure Cost Estimate in dollars for the waste tire facility being closed using the following formula:

Total Closure Cost Estimate (TCC) =  $1.2 \times (\text{Transportation Cost} + \text{Destination Charge} + \text{Loading Cost} + \text{Administration Cost} + \text{Security Cost})$

Where:

"Transportation Cost" represents the total cost of transportation for all loads of tires leaving the facility as well as the cost of the vehicles returning. The transportation cost shall be computed using the following formula:

$$\text{Transportation Cost (S)} = M \times MT \times TC$$

Factor "M" (miles) represents the total distance (Round Trip Mileage) to be covered by a vehicle transporting a load, from the closing facility to a facility selected by the operator that would accept the waste tires in the form that they are, or will be stored (e.g., shreds vs. whole). The destination facility shall meet the criteria in section 18441(a) of Article 6, Chapter 6.

Factor "MT" (number of round trips) represents the number of truck loads of waste tires that will be required during the cleanup. The number of truck loads for a particular size waste tire is determined by dividing the total number of waste tires that are of one size (e.g., passenger) by the number of waste tires of that size that can fit into one truck load. Fewer large tractor tires can be hauled by the same truck that is also used for passenger tires. "MT" should be based on the maximum number of loads that are necessary to clear the site. This will be based on the maximum quantity of waste tires that the operator is seeking a permit to store as specified in the Operation Plan, Form CIWMB 501 (10/92); however, the method of storage shall be taken into consideration. For example, if the operator intends to store only shredded waste tires in the future, but is presently storing whole waste tires, the calculations should be based on whichever storage condition requires the greatest cleanup cost.

Factor "TC" (\$ per load per mile) represents the cost per mile to transport a load of waste tires. The cost includes the average expenses for transportation equipment, fuel, driver wages, tolls, and the vehicles maintenance. This cost will vary based on the size of vehicle.

The "Destination Charge" represents the total cost of tipping fees or disposal fees for all loads of waste tires transferred from cleanup site to the destination facility. The Destination Charge shall be computed using the following formula:

$$\text{Destination Charge (\$)} = \text{MT} \times \text{TF}$$

Factor "MT" is described above.

Factor "TF" (\$ per load) represents the cost to deposit waste tires at the destination facility. This may be a tipping fee or a disposal fee. If the fee is expressed in dollars per ton then this number must be multiplied by the weight of the load in order to yield dollars per load. The tipping fee should be based on the form of the waste tires (e.g., shreds vs. whole)

"Loading Cost" represents the total cost of loading all loads of tires in to vehicles at the closure facility and unloading the vehicles at the final destination. "Loading Cost" shall be computed using the following formula:

$$\text{Loading Cost (\$)} = \text{MT} \times \text{LC}$$

Factor "MT" is described above.

Factor "LC" (\$ per load) represents the unit cost to load one vehicle with waste tires at the closing facility, and to unload the same waste tires at the final destination. This cost includes operational expenses which cover wages for workers and

pro rated expenses for rental or lease of equipment and machinery.

"Administration Cost" (\$) represents the total cost of administration activities for the entire closure operation. This cost shall include the wages for personnel overseeing the cleanup activities and other operating expenses for entire project.

"Security Cost" (\$) represents the total cost of security arrangements for entire closure operation. This is the cost to secure the site and restrict public access. This cost covers the expenses for entire cleanup operation and includes installations of site fence, installations or repair of lighting, and wages for security guards, etc.

Note: 1) Total Closure Cost Estimation will vary according to the facility's design and operation as presented in the Operation Plan, Form CIWMB 501 (10/92)

## CLOSURE PLAN

page 5 of 5

- 2) All costs will be added and then multiplied by the contingency factor of 1.2 to estimate Total Closure Cost for the cleanup.
- 3) Any deviations from the above formula must be explained.
- 4) Complete a separate closure cost estimate worksheet if the waste tires are to be transported to more than one point of destination.

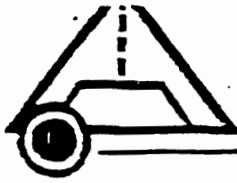
### OPERATOR CERTIFICATION

Operator certification: I certify that this document and all attachments were prepared under my direction or supervision. I have inquired of the person or persons who manage the system or those persons directly responsible for gathering the information, and certify that the information submitted is, to the best of my knowledge and belief, true, accurate and complete.

Mark RK [Signature]  
Operator Signature

3-5-97  
Date





# WESTERN TRUCK INSURANCE SERVICES, Inc.

9133 South La Cienega Boulevard, #225 • Inglewood, California 90301-4409

Oxford Tire Recycling of  
Northern California, Inc.  
PO Box 969  
Westley, CA 95387

January 9, 1997

Bill

So far here are the two ways we can go on the closure/post closure policy with ECS/Reliance:

- 1 - We can increase the limit to \$1,000,000 total for all losses for an additional premium of \$55,000, and this coverage would be back-dated to the beginning of the policy. All other terms and conditions of policy # NTA2512741 will apply.

OR

- 2 - We can CANCEL the current closure/post closure policy and on the same day rewrite the policy at the limits of \$1,300,000 aggregate, with a \$250,000 self-insured retention for a premium of \$160,000. All other terms and conditions of policy #NTA2512741 would carry over.

Last, we could go to AMWEST and pursue a bond for the \$1,300,000, the rate would be a little lower, to start this we will need current financial statements for Oxford Tire and also for Heights II.

Please advise which option you and Mark decide on and we will get things taken care of.

Thank You! and Best Regards,

  
Cindy Quick

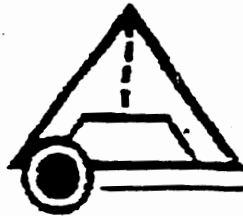
INSURANCE BROKERS

(310) 215-2920 • FAX (310) 215-2915 • (800) WESTRUK



800-937-8785

1-71

**WESTERN TRUCK INSURANCE SERVICES, Inc.**

9133 South La Cienega Boulevard, #225 • Inglewood, California 90301-4409

Oxford Tire Recycling of  
Northern California, Inc.  
PO Box 969  
Westley, CA 95387

January 9, 1997

Bill

This is just to confirm our phone conversation from today;

ECS has agreed to provide the Closure/Post Closure policy at the limits of \$1,000,000 total losses with the original effective date from March 1996, all other terms and conditions of policy #NTA2512741 will apply.

Please advise us when you want the changes to be completed.

If you have any questions, just give me a call.

Best Regards,

Cindy Quick  
Western Truck Insurance Services

**INSURANCE BROKERS**

(310) 215-2920 • FAX (310) 215-2915 • (800) WESTRUK



1-72